Fiscal 4Q16 Results
Conference Call

May 3, 2017
SAFE HARBOR

This release includes “forward-looking statements” within the meaning of the securities laws. The words “may,” “could,” “should,” “estimate,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “target,” “plan,” “outlook,” “providing guidance,” and similar expressions are intended to identify information that is not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to our network, cost reductions, connections growth, and liquidity; and statements expressing general views about future operating results — are forward-looking statements. Forward-looking statements are estimates and projections reflecting management’s judgment based on currently available information and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. With respect to these forward-looking statements, management has made assumptions regarding, among other things, the development and deployment of new technologies and services; efficiencies and cost savings of new technologies and services; customer and network usage; connection growth and retention; service, speed, coverage and quality; availability of devices; availability of various financings, including any leasing transactions; the timing of various events and the economic environment. Sprint believes these forward-looking statements are reasonable; however, you should not place undue reliance on forward-looking statements, which are based on current expectations and speak only as of the date when made. Sprint undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our company's historical experience and our present expectations or projections. Factors that might cause such differences include, but are not limited to, those discussed in Sprint Corporation’s Annual Report on Form 10-K for the fiscal year ended March 31, 2016, and, when filed, its Annual Report on Form 10-K for the fiscal year ended March 31, 2017. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.
**Non-GAAP Financial Measures**

**FINANCIAL MEASURES**

Sprint provides financial measures determined in accordance with GAAP and adjusted GAAP (non-GAAP). The non-GAAP financial measures reflect industry conventions, or standard measures of liquidity, profitability or performance commonly used by the investment community for comparability purposes. These measurements should be considered in addition to, but not as a substitute for, financial information prepared in accordance with GAAP. We have defined below each of the non-GAAP measures we use, but these measures may not be synonymous to similar measurement terms used by other companies.

Sprint provides reconciliations of these non-GAAP measures in its financial reporting. Because Sprint does not predict special items that might occur in the future, and our forecasts are developed at a level of detail different than that used to prepare GAAP-based financial measures, Sprint does not provide reconciliations to GAAP of its forward-looking financial measures.

The measures used in this release include the following:

**EBITDA** is operating income/(loss) before depreciation and amortization. **Adjusted EBITDA** is **EBITDA** excluding severance, exit costs, and other special items. **Adjusted EBITDA Margin** represents Adjusted EBITDA divided by non-equipment net operating revenues for Wireless and Adjusted EBITDA divided by net operating revenues for Wireline. We believe that Adjusted EBITDA and Adjusted EBITDA Margin provide useful information to investors because they are an indicator of the strength and performance of our ongoing business operations. While depreciation and amortization are considered operating costs under GAAP, these expenses primarily represent non-cash current period costs associated with the use of long-lived tangible and definite-lived intangible assets. Adjusted EBITDA and Adjusted EBITDA Margin are calculations commonly used as a basis for investors, analysts and credit rating agencies to evaluate and compare the periodic and future operating performance and value of companies within the telecommunications industry.

**Sprint Platform Postpaid ABPA** is average billings per account and calculated by dividing postpaid service revenue earned from postpaid customers plus installment plan billings and lease revenue by the sum of the monthly average number of postpaid accounts during the period. We believe that ABPA provides useful information to investors, analysts and our management to evaluate average Sprint platform postpaid customer billings per account as it approximates the expected cash collections, including installment plan billings and lease revenue, per postpaid account each month.

**Sprint Platform Postpaid Phone ABPU** is average billings per postpaid phone user and calculated by dividing service revenue earned from postpaid phone customers plus installment plan billings and lease revenue by the sum of the monthly average number of postpaid phone connections during the period. We believe that ABPU provides useful information to investors, analysts and our management to evaluate average Sprint platform postpaid phone customer billings as it approximates the expected cash collections, including installment plan billings and lease revenue, per postpaid phone user each month.

**Free Cash Flow** is the cash provided by operating activities less the cash used in investing activities other than short-term investments, including changes in restricted cash, if any, and excluding the sale-leaseback of devices and equity method investments. **Adjusted Free Cash Flow** is **Free Cash Flow** plus the proceeds from device financings and sales of receivables, net of repayments. We believe that Free Cash Flow and Adjusted Free Cash Flow provide useful information to investors, analysts and our management about the cash generated by our core operations and net proceeds obtained to fund certain leased devices, respectively, after interest and dividends, if any, and our ability to fund scheduled debt maturities and other financing activities, including discretionary refinancing and retirement of debt and purchase or sale of investments.

**Net Debt** is consolidated debt, including current maturities, less cash and cash equivalents, short-term investments and, if any, restricted cash. We believe that Net Debt provides useful information to investors, analysts and credit rating agencies about the capacity of the company to reduce the debt load and improve its capital structure.
Fiscal Year 2016 Highlights

- **Net Operating Revenues**: Grew year-over-year for the first time in 3 years.
- **Operating Expenses**: $2.1B of year-over-year reductions in CoS and SG&A.
- **Adjusted EBITDA**: Highest in 9 years.
- **Operating Income**: Highest in 10 years.
- **Adjusted Free Cash Flow**: Positive.
- **Postpaid Phone Net Add**: More than doubled year-over-year.
- **Network**: Performing at Best Ever levels as recognized by third parties.

^ indicates results specific to Sprint Platform
Growing Connections

**Postpaid Phone Net Adds^**

In Thousands

- FY '14: (1,526)
- FY '15: 438
- FY '16: 930

**2.5M Improvement**

**Postpaid Phone Churn^**

- FY '14: 2.04%
- FY '15: 1.52%
- FY '16: 1.48%

More than DOUBLE year-over-year

BEST in Sprint History

^ indicates results specific to Sprint Platform
Enhancing Our Value Proposition

Unlimited Freedom

Sprint Global Roaming Service is the BEST Choice for Traveling Abroad

Stay connected via voice, text and data services while traveling!

Connect in more than 200 destinations around the world...everywhere Sprint has service.

- Seamless Service
- Extensive Footprint
- Worry Free and Affordable Options
- Straightforward High-Speed Offers

Expanding Distribution

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Network at Best Ever Levels

RELIABILITY

LTE

Plus


Our best ever

Network Awards

Up over 30%

year-over-year

Carrier Aggregation

Sprint Gigabit LTE

1-Rankings based on RootMetrics Metro RootScore Reports from 1H 2016, 2H 2016, and 1H 2017 and, National RootScore Report from 2H 2016 for mobile performance as tested on best available plans and devices on four mobile networks across all available network types. Your experiences may vary. The RootMetrics award is not an endorsement of Sprint. Visit www.rootmetrics.com for more details.
Leading Voice Network Today

Most Metro Call RootScore®
Awards (outright or tied)

2H 2016

T-Mobile: 32
AT&T: 67
Verizon: 107
Sprint: 108

#2 National Call Performance

2H 2016

T-Mobile: 67.2
AT&T: 84.6
Sprint: 86.4
Verizon: 90.1

1-Rankings based on RootMetrics Metro RootScore Reports from 1H 2016, 2H 2016, and 1H 2017 and, National RootScore Report from 2H 2016 for mobile performance as tested on best available plans and devices on four mobile networks across all available network types. Your experiences may vary. The RootMetrics award is not an endorsement of Sprint. Visit www.rootmetrics.com for more details.
LTE Key to Success

Spectrum Advantage

Innovative Deployment
Spectrum Advantage

2.5GHz
With HPUE

1.9GHz
800MHz

Higher Capacity & Coverage
Capacity

Capacity & Coverage
Coverage
HPUE Extends 2.5 GHz Coverage

UL Data Throughput (mbps)

Distance from Site

HPUE

Performance Gain

Non-HPUE

LG G6

Samsung Galaxy S8 | S8+

ZTE Max XL

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Innovative Deployment Toolbox

Mini Macro  Air Pole  Strand Mount  Magic Box  Femto
Sprint's Toolbox in Action

Innovative Deployment

Macro
(800MHz, 1.9GHz, 2.5GHz)

Dense

Mini Macro

Femto

Air Pole

Residential

Macro Coverage

Rural

Millions of Small Cells
Magic Box is Latest Innovation
Simple and Self-Provisioning
Magic Box (Metro)
Magic Box (Residential)

Neighborhood coverage of Magic Box
## Benchmarks of Market Areas

<table>
<thead>
<tr>
<th>Overall Data</th>
<th>New York</th>
<th>San Francisco</th>
<th>Chicago</th>
<th>Denver</th>
<th>Indianapolis</th>
<th>Houston</th>
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<table>
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<tr>
<th>Market Area</th>
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<tr>
<td></td>
<td>Grand St. to 23rd St.</td>
<td>Golden Gate Park to Mission District</td>
<td>Lombard</td>
<td>Downtown</td>
<td>Speedway to Fairground</td>
<td>NRG Stadium</td>
</tr>
</tbody>
</table>

*Source: P3

*Denotes tie
New York City

Lower Manhattan between Greenwich Village & East Village

Test Area

Average Download Speed (Ookla)

Mar.16  Apr.11

Based on Sprint’s analysis of Ookla’s Speedtest Intelligence data from 03/10/17 to 04/10/17

Overall Data (P3)

#1*

*Denotes tie
San Francisco

Golden Gate Park-Balboa-Mission District

Test Area

Average Download Speed (Ookla)

Mar.16

Apr.11

Based on Sprint’s analysis of Ookla’s Speedtest Intelligence data from 03/10/17 to 04/10/17

Overall Data (P3)

#1*

*Denotes tie

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Chicago

Downtown Lombard Area

Test Area

Average Download Speed (Ookla)

100 Mbps

Mar.16

Apr.11

Overall Data (P3)

#1

Based on Sprint’s analysis of Ookla’s Speedtest Intelligence data from 03/10/17 to 04/10/17

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#1-OR-#2
LTE Network
Growing Revenue

Net Operating Revenue
In Billions

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<th>FY '14</th>
<th>FY '15</th>
<th>FY '16</th>
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<tr>
<td>$34.5</td>
<td>$32.2</td>
<td>$33.3</td>
<td></td>
</tr>
<tr>
<td>$32.3</td>
<td>$30.4</td>
<td>$31.8</td>
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Postpaid Phone Avg Billings Per User (ABPU)^*

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<tr>
<th></th>
<th>FY '14</th>
<th>FY '15</th>
<th>FY '16</th>
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<tr>
<td>$69.14</td>
<td>$70.77</td>
<td>$71.06</td>
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Consolidated Net Operating REVENUES GREW year-over-year for the first time in 3 years.

Postpaid Phone ABPU^* Increased year-over-year

^ indicates results specific to Sprint Platform
Reducing Operating Expenses

Cost of Services + SG&A
Dollars in Billions

Cost of Services

FY '14: $19.2
FY '15: $17.9
FY '16: $15.9

SG&A

$1.3B
$2.1B

$3.4B
Cumulative Reduction in CoS and SG&A
Improving Profitability

Adjusted EBITDA*
Dollars in Billions

FY '14 | FY '15 | FY '16
---|---|---
$6.0 | $8.1 | $9.9

Operating Income (Loss)
Dollars in Billions

FY '14 | FY '15 | FY '16
---|---|---
($1.9) | $0.3 | $1.8

Adjusted EBITDA* in nine years

Operating Income
HIGHEST in ten years
Up nearly 6x year-over-year
Capex / Adjusted Free Cash Flow*

Cash Capex
Dollars in Millions

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<th>Year</th>
<th>Device</th>
<th>Non-Device</th>
<th>Total</th>
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<td>6,004</td>
<td>-</td>
<td>6,004</td>
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<tr>
<td>FY '15</td>
<td>6,972</td>
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<tr>
<td>FY '16</td>
<td>3,875</td>
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<td>3,875</td>
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</table>

Adjusted Free Cash Flow*
Dollars in Millions

<table>
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<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY '14</td>
<td>-3,318</td>
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<tr>
<td>FY '15</td>
<td>-1,404</td>
</tr>
<tr>
<td>FY '16</td>
<td>607</td>
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Cash Capex Capital Efficiency
- Software driven capacity
- Surgical small cell deployment

Adjusted Free Cash Flow* POSITIVE in FY 2016
Strengthening the Balance Sheet

$10.9 of General Purpose Liquidity

Liquidity as of 03/31/17

- Cash, Cash Equiv, Short-Term Investments: $12.1
- Revolver: 1.2
- Vendor Financing: 0.8
- Other: 1.8

Current Maturities

- Note Maturities: $5.0
- Receivables/Device Financing: 1.9
- Network Equipment Financing: 0.4
- Other: 2.4

Strong Liquidity
Diversifying funding sources
Lowering cost of debt
Fiscal Year 2017 Guidance

Adjusted EBITDA*:
$10.7 billion to $11.2 billion

Operating Income:
$2 billion to $2.5 billion

Cash Capex:
$3.5 billion to $4 billion
excluding devices leased through indirect channels
Appendix
Denver

Downtown Area

Average Download Speed (Ookla)

- Sprint
- T-Mobile
- AT&T
- Verizon

Mar.16

Apr.11

Based on Sprint’s analysis of Ookla’s Speedtest Intelligence data from 03/10/17 to 04/10/17

Overall Data (P3)

#1
Indianapolis

Speedway to Fairgrounds

Test Area

Average Download Speed (Ookla)

Sprint
T-Mobile
AT&T
Verizon

Based on Sprint’s analysis of Ookla’s Speedtest Intelligence data from 03/10/17 to 04/10/17

Overall Data (P3)

#1*

*Denotes tie
Houston

NRG Stadium

Average Download Speed (Ookla)

100 Mbps

Mar.16

Apr.11

Based on Sprint’s analysis of Ookla’s Speedtest Intelligence data from 03/10/17 to 04/10/17

Overall Data (P3)

#2*

*Denotes tie